



FAIR POLITICAL PRACTICES COMMISSION

428 J Street • Suite 620 • Sacramento, CA 95814-2329
(916) 322-5660 • Fax (916) 322-0886

March 4, 2011

Mr. David Gould

✓ Yes on BB

REDACTED

Re: Warning Letter

FPPC No. 11/155; Yes on BB, and David Gould, Treasurer

Dear Mr. Gould:

The Fair Political Practices Commission (the "FPPC") enforces the provisions of the Political Reform Act (the "Act"),¹ found in Government Code section 81000, et seq. This letter is in response to a complaint filed against you that alleged the Yes on BB committee qualified as a sponsored committee when it received an initial contribution that made up over 80 percent of its contributions from one source, then failed to amend the committee's name to reflect a sponsored committee, and failed to list the name of the committee and its sponsor on numerous campaign signs. We are closing this matter with a warning letter.

The FPPC has completed its investigation of the facts in this case. In regards to the allegations the Yes on BB committee failed to amend the committee name to include the name of its sponsor and failed to identify the committee and its sponsor on campaign signs, it was determined that the Yes on BB is not a sponsored committee. Section 82048.7(b)(1) defines a sponsored committee as a committee that receives 80 percent or more of its contributions from a person, including a committee. Based on our initial investigation, the Yes on BB committee has received contributions from other sources and no one contributor has provided more than 80 percent of the committee's contributions.

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

In regards to the allegation the committee failed to list its name and sponsor on campaign signs, the FPPC found no violation of the Act. Section 84504(c) of the Act only requires disclosure on campaign signs if the committee received major funding of \$50,000 or more. (Section 84504.)

However, the FPPC did find that the committee failed to amend the statement of organization within 10 days of qualifying as a committee. Section 84103 of the Act provides that whenever there is a change in any of the information contained in a statement of organization, an amendment shall be filed within 10 days to reflect the change. The Yes on BB committee filed an Initial Statement of Organization, but did not list the date it qualified as a committee. On February 7, 2011, the Yes on BB qualified as a committee and should have filed an amended statement of organization to reflect that date by February 17, 2011. Your actions violated the Act because you did not file an amended statement of organization within 10 days of qualifying as a committee.

This letter serves as a written warning. The information in this matter will be retained and may be considered should an enforcement action become necessary based on newly discovered information or future conduct. Failure to comply with the provisions of the Act in the future will result in monetary penalties of up to \$5,000 for each violation.

Because you filed an amendment to reflect the date the Yes on BB qualified as a committee, and the fact that the committee does not have an enforcement history, we are closing this matter with a warning letter.

A warning letter is an FPPC case resolution without administrative prosecution or fine. However, the warning letter resolution does not provide you with the opportunity for a probable cause hearing or hearing before an Administrative Law Judge or the Fair Political Practices Commission. If you wish to avail yourself of these proceedings by requesting that your case proceed with prosecution rather than a warning, please notify us within ten (10) days from the date of this letter. Upon this notification, the FPPC will rescind this warning letter and proceed with administrative prosecution of this case. If we do not receive such notification, this warning letter will be posted on the FPPC's website ten (10) days from the date of this letter.

Please feel free to contact Teri Rindahl at (916) 327-2018 with any questions you may have regarding this letter.

Sincerely
REDACTED

✓ Gary S. Winuk
Chief, Enforcement Division

GSW/tr